



Minutes

29 May 2013

Project	Harford County Regional Water and Sewer Authority Concept Study	From	GHD Inc
Subject	Focus Workshop #3: Service Levels and Interagency Agreements	Tel	240-206-6810
Venue/Date/Time	Abington Water Treatment Plant, 3340 Abington Road, Abington, MD, 21009 23 May 2013; 1:00 pm to 4:00 pm	Job No	86/15150/XX
Copies to	All attendees William Allen, Advisory Committee (AC) William Farrell, AC	Bruce McMillin, AC William Russell, AC Doug Miller, AC and City of Aberdeen	
Attendees	Garrett Lyttle, Advisory Committee (AC) Craig Ward, AC Jerald Wheeler, AC Michael Bennett, City of Aberdeen W. Anderson, Harford County Joel Caudill, Harford County Margaret Hartka, Harford County Kathryn Hewitt, Harford County Mary Kate Herbig, Harford County Darryl Irvins, Harford County Jackie Ludwig, Harford County	Tom Patti, Harford County Dave Pergrin, Harford County Talad Said, Harford County Tim Whittie, Harford County Donna Geiger, Havre de Grace Brad Jurkovac, GHD John Stullken, GHD Thor Young, GHD Ed Donahue, Municipal Financial Services Group (MFSG) David Hyder, MFSG	

The minutes below are intended to summarize the discussion during the meeting and supplement the materials distributed at the meeting. Ideas may be consolidated or reorganized from when they were actually presented during the meeting to provide a more coherent and intuitive record of discussion.

Schedule Review

Items	Minutes
1	<ul style="list-style-type: none"> • Phase 1 Schedule <ul style="list-style-type: none"> ○ Focus workshops and the second site visit will continue through July ○ The Advisory Committee (AC) will meet through August to develop their recommendations ○ The Concept Plan report will be issued in September ○ Phase 1, including the passage of a non-binding resolution by political subdivisions (PSDs) will happen through the end of 2013.
2	<ul style="list-style-type: none"> • Phase 2A Schedule <ul style="list-style-type: none"> ○ For PSDs who intend to join the Harford County Regional Water & Sewer Authority (Authority), a memorandum of understanding (MOU) will be developed and include a binding commitment to share the costs of forming the Authority. ○ The allocation of costs will be divided equitably among the PSDs. ○ To sign the MOU, the PSD legislators may revote or authorize their mayor/town manager to negotiate and sign the MOU on their behalf
3	<ul style="list-style-type: none"> • Phase 3 Schedule <ul style="list-style-type: none"> ○ The length of Phase 3 is highly variable based on the number and makeup of the members who join the Authority ○ The “point of no return” for PSDs joining the Authority is when assets and debts are transferred to the Authority ○ The PSD legislators will need to vote to approve the transfer of assets and debts. This is required to make the Authority viable and functioning, to the PSDs hold power over the policies and framework of the Authority.
4	<ul style="list-style-type: none"> • If a PSD initially indicates they want to join Authority and then decides to withdraw, it may require planning rework, depending on the point of time in the process that they withdraw: <ul style="list-style-type: none"> ○ If a PSD withdraws before the Articles of Incorporation and other documents are formed during Phase 3, minimal rework is required. If they withdraw after this point, more effort is required for the Authority framework to be modified.
5	<ul style="list-style-type: none"> • Advisory Committee (AC) members should speak with their PSDs’ legislators during this process.

Service Levels

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6	<ul style="list-style-type: none"> The strengths, weaknesses, opportunities, and threats (SWOT) analysis is a framework that each PSD can use to evaluate the benefits and trade-offs the Authority offers for them and their residents. <ul style="list-style-type: none"> The strengths and weaknesses identified during a SWOT analysis are factors to consider in the immediate or near term; the opportunities and threats are factors for future consideration.
7	<ul style="list-style-type: none"> The future variability of water resource availability and wastewater treatment capacity and regulations creates an element of uncertainty in any future projections. <ul style="list-style-type: none"> The Feasibility Study of the Formation of a Regional Water System Report completed by Hazen & Sawyer for Harford County [available on the project website] discusses a range of potential future water supply and treatment alternatives that take into account variable development projections and water supply options, including best case and worst case scenarios.
8	<ul style="list-style-type: none"> The delineation between core and business services may vary depending on the organization of the utility and peoples' experience. <ul style="list-style-type: none"> For the purposes of discussion during the workshop, core services and personnel were limited to the actual treatment/production facilities and distribution and collection systems to allow the system to operate, and the personnel directly responsible for them (i.e., the operations and maintenance staff). In practice, other functions such as planning, engineering, and compliance are considered core functions or services, particularly for larger utilities.
9	<ul style="list-style-type: none"> Several business services may be impractical or legally disallowed for a PSD to perform for another entity that is not a PSD: <ul style="list-style-type: none"> Billing Legal counsel Finance

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10	<ul style="list-style-type: none"> Currently, the water and sewer enterprise funds of the PSDs pay their general fund annually to account for services they use (e.g, human resources, legal counsel, finances/treasury). If these business functions for the water and sewer departments are transferred to the Authority, the PSD general funds will lose this funding. <ul style="list-style-type: none"> In Harford County, payment is made to the general fund, as well as the Water and Sewer division fully covering the salary for dedicated employees in other departments such as Treasury. In most cases, the department providing the support functions from the general fund are not large enough to make staff reductions practical or desirable. The remaining departments will potentially have to increase their cost contribution to maintain these personnel.

Interagency Agreements

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11	<ul style="list-style-type: none"> The majority of the existing interagency agreements [see meeting presentation] are transferrable if both parties consent to the transfer. <ul style="list-style-type: none"> The transfer of existing contracts and agreements may lead to some parties wanting to renegotiate the existing terms (e.g. the agreement for Baltimore City to provide raw water and Harford County). This will have to be examined when the transfer of contracts are evaluated during Phase 3 of the Authority formation.
12	<ul style="list-style-type: none"> Bel Air bills their residents for wastewater and transfers payment to Harford County.
13	<ul style="list-style-type: none"> Harford County bills residents in Swan Creek and the Whiteford and Cardiff communities and transfers payment to the City of Aberdeen and Delta Borough, PA, respectively.
14	<ul style="list-style-type: none"> The wastewater treatment plant in Delta Borough, PA, was financed in part with federal grants. Whether these grants require different requirements to transfer relative to other non-federal grants will have to be examined if Harford County joins the Authority and transfers its assets and liabilities.
15	<ul style="list-style-type: none"> If easements are granted from a PSD to the Authority for access to assets or facilities (e.g., a pump station located on park ground), and the asset/facility is taken out of operation and removed from the property, the PSD has the ability to reclaim the property.
16	<ul style="list-style-type: none"> The transfer of Intangible assets (e.g., computer software or IT and communication systems) will need to be evaluated if when a PSD joins the Authority.

Any suggested revisions should be forwarded to the GHD Bowie Office in writing within ten (10) days of receipt or these minutes shall stand as written. For queries, errors, or omissions, please contact John Stullken by email at john.stullken@ghd.com.